

Message Text

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ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 PM-07 INR-10 L-03 NEA-11

NSAE-00 PA-04 RSC-01 PRS-01 SPC-03 USIA-15 TRSE-00

SAM-01 SAJ-01 SS-20 NSC-10 EB-11 ACDA-19 MC-02 DRC-01

/146 W

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R 301707Z JAN 74

FM AMEMBASSY PARIS

TO USMISSION NATO

INFO USCINCEUR

SECSTATE WASHDC 6481

SECDEF WASHDC

USNMR SHAPE

CINCUSAFE

COMMERCE DEPARTMENT

CHIEF MAAG BRUSSELS

AMEMBASSY BONN

AMEMBASSY COPENHAGEN

AMEMBASSY THE HAGUE

AMEMBASSY OSLO

AMEMBASSY ROME

AMEMBASSY BRUSSELS

C O N F I D E N T I A L PARIS 2664

NOFORN

E.O. 11652: GDS

TAGS: BEXP, MASS, NATO, FR

SUBJECT: IMPORTANT PROJECT - REPLACEMENT AIRCRAFT FOR F-104

REF: USNATO 0021

1. IN REGARD TO POINTS MADE IN REFTEL, WE WOULD ADD THE FOLLOW-
ING:

A. FRENCH HAVE NOTORIOUSLY POOR REPUTATION IN AREAS OF TECHNI-
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CAL SUPPORT AND SUPPLY OF SPARE PARTS.

B. FRENCH MAY SUCCEED IN DEVELOPING EXPORT MARKETS, ESPECIALLY IN MIDDLE EAST, WHICH WILL PARTIALLY OFFSET CO-PRODUCTION PEAKING ARGUMENTS ADVANCED IN REFTEL.

FRENCH EMPLOYED A WELL-COORDINATED SALES EFFORT INVOLVING POLITICAL, ECONOMIC AND PERSONAL PRESSURES IN AN EFFORT TO SELL THE MILAN TO THE SWISS. THIS EFFORT RESULTED IN A SWISS DECISION TO DELAY PURCHASE OF A NEW AIRCRAFT IN SPITE OF MARKEDLY SUPERIOR PERFORMANCE OF U.S. COMPETITOR (A-7). WHILE FRENCH DID NOT WIN CONTRACT, THEY INSURED CONTRACT DID NOT GO TO U.S.

2. KEEPING IN MIND THE POINTS LISTED ABOVE, WE BELIEVE US SALES EFFORT SHOULD BE CENTERED ON THE FOLLOWING:

A. EMPHASIS ON TECHNICAL SUPERIORITY OF US PRODUCT.

B. USE OF CUSTOMER OFF-SET AND CO-PRODUCTION AGREEMENTS WHEREVER POSSIBLE.

C. ALL AGENCIES SHOULD COORDINATE EFFORTS TO INSURE THAT POTENTIAL CUSTOMER NATIONS UNDERSTAND US WILLINGNESS TO CONTRIBUTE TO ECONOMIC WELL-BEING OF CUSTOMER NATIONS. (E.G. EMPLOYMENT, TECHNOLOGICAL SPINOFF, BALANCE OF PAYMENTS BENEFITS, ETC.

3. WHILE THE FRENCH WILL CERTAINLY ARGUE FOR EUROPEAN SOLIDARITY IN ARMS PROCUREMENT, US SALESMEN SHOULD NOT USE EXAMPLE OF FRENCH SEPARATISM IN AN EFFORT TO SELL US PRODUCTS. FRENCH SEPARATISM IS ALREADY A SORE POINT WITH OTHER EUROPEAN NATIONS AND EFFORTS BY THE US TO OVERTLY EXPLOIT THIS IRRITATION WILL PROBABLY BE COUNTERPRODUCTIVE BOTH IN CUSTOMER COUNTRIES AND IN FRANCE. WHILE WE WOULD DEFER TO EMBASSIES BRUSSELS AND THE HAGUE, FROM OUR VANTAGE POINT IT APPEARS THAT THE US SHOULD NOT PUSH THE

BELGIANS OR THE DUTCH TO DECLARE THEMSELVES ON THE QUESTION OF EUROPEAN SOLIDARITY IN THE AREA OF ARMS PROCUREMENT. US SALESMEN SHOULD STRESS ASPECTS OF US-EUROPEAN COOPERATION IN SUCH AREAS AS NATO STANDARDIZATION, BURDEN-SHARING AND LONG TERM NATO AND US MILITARY COOPERATION. IN SUMMARY, US SALES EFFORTS SHOULD BE POSITIVE, STATING THE CASE ON ITS MERITS, LEAVING THE FRENCH TO IRRITATE POTENTIAL CUSTOMERS BY EXERTING POTITICAL, ECONOMIC, ETC., PRESSURES, IF THEY WISH, AND LEAVING CUSTOMERS FREE TO PERCEIVE THE PRESSURES WITHOUT OUR CALLING ATTENTION TO THEM.

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4. AIRGRAM CONTAINING CASE STUDY OF US-FRENCH COMPETITION IN SWITZERLAND FOLLOWS.STONE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY AIRCRAFT, MILITARY EQUIPMENT, MILITARY PROCUREMENT, SPARE PARTS, MILITARY SALES
Control Number: n/a
Copy: SINGLE
Draft Date: 30 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: PARIS
Handling Restrictions: n/a
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ISecure: 1
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Original Previous Classification: n/a
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Review Markings:

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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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